

DELAWARE MANUFACTURED HOME RELOCATION AUTHORITY

**1979 S. State St.
Dover, DE 19901**

Pursuant to 29 Del. Code 10004, the Board of Directors of the Delaware Manufactured Home Relocation Authority convened a meeting on **October 28, 2021**, commencing at **1:30 P.M.** at 1979 S. State Street, Dover, Delaware 19901.

Minutes of October 28, 2021, Board Meeting

IN-ATTENDANCE:

Authority: Mitch Crane
George Meldrum
William Dunn
Richard Hrycyshyn
Andy Strine
Pat Malone (Non-Voting Member)

Gregg Sutton (Executive Director)
Jane Sabo (DEMHRA Assistant)

Legal Counsel: Melissa Rhoads (Absent)

Other: Jen Allen, First State Manufactured Housing Association
Dietmar Panzig, Southern Meadow
Kevin Reinike, Reybold Homes (Via Zoom)
Lisa Norden, Reybold Homes (Via Zoom)

I. Call to Order:

Mr. Crane called the hybrid Zoom meeting to order at 1:30 p.m.

II. Review and Approval of Minutes:

A motion was made by Mr. Hrycyshyn to approve the September 30, 2021 minutes and seconded by Mr. Meldrum. The motion passed 5-0.

III. Chair's Report:

- Mr. Strine and Mr. Crane have been re-appointed for another 2-year term.
- The DEMHRA Board will continue with proposed revisions to the Code and update any inconsistencies.
- Mr. Crane will bring up the issue, when appropriate, to propose that DEMHRA Board members be compensated monetarily for meeting attendance.

IV. Executive Director's Report:

Since the last meeting, the following has occurred:

- The DEMHRA website will be updated to reflect the reappointments of Mr. Crane and Mr. Strine.
- Ms. Hambleton from the Division of Revenue informed Mr. Sutton that the community owners are completing the MHR-Tax forms incorrectly. She provided a sample template and requested that a letter be sent to all community owners along with the sample template as a refresher so that they complete the forms correctly. Mr. Sutton asked Ms. Allen for her assistance in disseminating this information.
- At the direction of the Board, Mr. Sutton has engaged the services of The Spanish Group on a 3-month trial basis to translate into Spanish, the following documents on the DEMHRA website (public notices, board meeting minutes, tenant applications for relocation assistance, and the tenant relocation assistance checklist,). If the services are satisfactory, a contract will be submitted for Board approval.
- The new relocation benefits amount for relocatable and non-relocatable homes have been updated on the DEMHRA Website and in DEMHRA 's Policies & Procedures. Ms. Norden requested clarification on the amounts as there is a discrepancy in what was discussed at the last Board Meeting and what is posted on the DEMHRA website. Mr. Crane deferred discussion at this time, and this will be discussed later under new business.
- A few months ago, DEMHRA solicited bids to provide court reporter services. Since there was no response, the arbitrators continued to be responsible for selection and payment of court reporter services. Mr. Crane was recently apprised by a representative of MAGNA Legal Services, a company from Philadelphia that serves the tri-state area, that a better price may be realized if they were engaged to provide all DEMHRA court transcription services. Mr. Sutton will contact MAGNA Legal Services to submit a proposal for the Board's review. If they are selected, the arbitrators will be notified that DEMHRA will provide the court reporter services moving forward.

V. Legal Counsel Report:

No report as Ms. Rhoads was not present.

VI. Approval of Financial Matters:

A. Recent Financial Activity and Report (Information Only):

The September 2021 Financial Report was reviewed and has been posted on the DEMHRA website.

B. Approval of Legal Counsel Invoices:

The Board reviewed the September invoice from Tighe and Cottrell in the amount of \$5,915.72.

C. Approval of Arbitrator Invoice: Morris James, Docket 01-2021, Shady Park, in the Amount of \$3,825.00 (Final Invoice) was reviewed for approval.

D. L&W Insurance: General Liability Insurance in the amount of \$586.00. was reviewed for approval. Mr. Crane wanted to the amount of the previous year's invoice. Mr. Sutton advised him that it was \$561.00.

A motion to approve the above invoices collectively was made by Mr. Hrycyshyn and seconded by Mr. Meldrum. The motion passed 5-0.

VII. Reports:

A. Compliance Matters (Executive Director):

1. Compliance Investigator Report:

Four communities were audited in September and October, and all were within the margin of error.

2. Delinquent Parks Report:

Legal Counsel will provide an update on communities previously referred for legal action at next month's meeting. The following communities are now two quarters late: Bowers MHP, Countryside Hamlet MHP, County Seat Gardens, Delaware City MHP, Driftwood Village, Glasgow MHP, Lakeside Homes, Mobile Home Village, Mt. Pleasant MHP, Pepper Ridge Park, Riverdale Park, Sandhill MHP, Sweetbriar, The Crossings at Oak Orchard, Twin Maples MHP, Waterford Estates, and Winterset Farms. A motion to refer for legal action was made by Mr. Strine and seconded by Mr. Hrycsyhyn. The motion carried 5:0.

B. Arbitration:

Open Dockets - Arbitration Status and Costs:

Wild Meadows HOA vs. RHP Wild Meadows MHC (Docket 07-2018):

Mr. Robert Cahall is waiting for a briefing hearing date.

Wild Meadows HOA vs. Wild Meadows LLC (Docket 04-2019):

Hearing was postponed until November 2, 2021, and November 3, 2021.

Winterset Farms HOA vs. Winterset Farms MHC (Docket 01-2020):

Mr. Stoner has filed briefs in Superior Court and is awaiting action from the court.

Wild Meadows HOA vs. Wild Meadows LLC (Docket 04-2020):

The hearing is scheduled for December 14, 2021, and December 15, 2021.

Shady Park HOA vs. Shady Park MHC LLC (Docket 01-2021):

The arbitrator ruled in favor of the community owner. The HOA requested he sanction the community owner on a legality, which he denied. The HOA has 30 days to appeal.

Ridgewood Manor HOA vs Ridgewood Manor II MHC, LLC (Docket 02-2121):

Rent increase above the CPI-U was denied. An appeal must be filed within 30 days.

Canterbury Crossing HOA vs Canterbury Crossing MHP (Docket 03-2021):

Hearing is scheduled for November 16, 2021, and November 17, 2021.

New Arbitration: Pot Nets Lakeside HOA vs Pot Nets Communities for rent increase above the CPI-U. The petition was received on 10/28/21. Mr. Sutton will be selecting an arbitrator and the arbitrator will be informed that DEMHRA will be selecting the court reporter.

VIII. Unfinished Business:

Per Mr. Crane's request, the non-relocatable homes issue was moved to this section and will be formally addressed to clarify the discrepancies discussed earlier in this meeting.

A motion to reconsider the motion made last month was made by Mr. Strine and seconded by Mr. Hrycsyhyn. The motion carried 5-0. Mr. Strine made a new motion to increase the maximum relocation allowance for a non-relocatable home from \$9,500 to \$12,000 for single-wide, or the appraised value, whichever is lower, and to increase the maximum allowance for a double-wide from \$13,500 to \$16,000, or appraised value, whichever is lower. The motion was seconded by Mr. Hrycsyhyn. The motion passed 5-0. It was noted that the relocation benefit for relocatable and non-relocatable homes must be corrected on the relocation applications on the DEMHRA website.

A. Right of First Offer (Sales, Closings, Change in Use of Land):

Parks for Sale:

- Update on sale of Silver Oaks Trailer Park – Legal Counsel is working with the new owner.
- Update on sale of Towers MHP – Legal Counsel is following-up. Mr. Strine suggested looking on-line to look to see if there are any individual tax parcels before referring to legal.
- Update on Upcountry MHP – Right of First Offer sent 7/9/21 and the sales is being negotiated.
- Update on sale of Vanessa MHP – Settlement occurred October 27, 2021. The name of the park is being changed to Peachtree Run Mobile Home Park. The previous owner, Mr. Gibbs, is delinquent in Trust Fund account because he did not collect rent from his tenants. He never completed the form from the Division of Revenue indicating that the tenants have not paid their assessment fees, therefore he is responsible for those payments to the Trust Fund. The new owner will begin paying into the Trust Fund effective the month he closed.
- Update on Sussex Manor – Pending. No HOA was formed.
- Update on Ford’s MHP – Pending, No HOA was formed.
- Update on Sale of Summer Patch - This park was purchased in January 2021, and DEMHRA was never notified of the sale. Our legal counsel is working with the new owner, Sun Communities to get the correct information so that they can register with the Division of Revenue.

Change in Use:

- **Update on Timberlane** – The following application for relocation benefits was received:
Donald Davis, 88 Willow Tree Drive, Newark, DE 19702
Single-wide approved in the amount of \$12,000.00.
A motion to approve this application was made by Mr. Hrycsyhyn and seconded by Mr. Meldrum. The motion carried 5:0.

- **Update on Pine Point** – The following application for non-relocatable benefits was received:

Kevin and Lisa Collins, 13 Pine Point Lane, Millsboro, DE 19966

Single-wide quote for non-relocatable home was received in the amount of \$25,000. The maximum benefit is \$12,000. Ms. Collins gave Mr. Sutton permission to fill in the \$12,000 amount on the second page of the application. She understands that is the maximum benefit. She and her husband are disabled so we will need documentation from the State Treasury that they are exempt from paying property taxes. A copy of the DMV title was received, and a copy is sufficient per Mr. Strine. Mr. Strine made a motion to conditionally approve the application in the amount of \$12,000, pending receipt of documentation of payment of taxes, or exemption from paying taxes, and subject to DEMHRA Chair's verification that all documentation has been received. The motion was seconded by Mr. Dunn. The motion carried 5-0 for conditional approval.

Mr. Sutton received an application for relocation benefits from a tenant of Driftwood Village. The tenant received an eviction notice. Since Pine Point Park is not going through a change in land use, the tenant does not qualify for relocation benefits. Mr. Sutton will send a letter to that tenant notifying him that he is not eligible to receive relocation benefits.

B. Update on Mr. Heisler's Relocation Proposals for the Following:

1. Appraisals for Non-Relocatable Homes:

This was discussed at last month's meeting. The landowner can hire an appraiser to appraise all the non-relocatable homes in a community, and then the landowner will be reimbursed. The tenant must be given the choice to use the landowner's appraiser or hire one on their own. In that case in the past, a waiver letter was signed by the tenant that the appraiser would be paid out of the tenant's relocation benefit amount. It should be documented that they chose to get their own appraiser. The cap on appraisal fees is \$200. In the Collins' situation, there is a letter in their file that if her application is approved, the cost of the appraisal fee will be deducted from their benefit. A motion was made by Mr. Strine to adopt the procedures for bulk appraisal for reimbursement for non-relocatable homes, which was seconded by Mr. Hrycyshyn. The motion carried 5-0.

2. Recent Investments Made by Tenants for Non-Relocatable Homes:

This was not discussed.

3. Alternate Housing Stipend for Tenants on Non-Relocatable Homes:

People will be out of their homes a week to 10 days, and may require some type of financial assistance from the time their home is moved to a new location until the time they can move into their home. Mr. Strine made a motion to accept our legal counsel's draft language under her edited version for interim relocation housing per diem. The edited version was read for the record indicating that DEMHRA will reimburse displaced tenants up to a maximum of \$70 per day with a cap of \$1,000 per relocation for interim housing costs incurred during the time that the tenant's manufactured home is being relocated and set up. Proof of actual expenses must be

presented to DEMHRA within 30 days to be reimbursed. This per diem is available only to tenants whose homes are being relocated. It does not apply to non-relocatable homes. Mr. Crane suggested that these invoices be approved at board meetings. The motion was seconded by Mr. Meldrum. The motion passed 5-0.

C. Update on Minquadale Proposal to Settle Delinquent Account Assessment Fees:

At last month's meeting, it was decided that Minquadale would pay half of the owed assessments in the amount of \$9,500.00. Legal counsel will send a settlement agreement to Minquadale's attorney, as well as to the Department of Finance and the money will be sent to DEMHRA's Trust Fund Account.

IX. New Business:

A. Notification of Sale of Driftwood Village:

A Right of First Offer letter has been sent to the tenants of Driftwood Village on 10/15/21. The attorney representing Driftwood Village provided DEMHRA a list of 71 residents. DEMHRA sent notification letters to all 71 addresses on that list. Since some of the homes were owned by the community, the attorney was asked to send DEMHRA only the list of homeowners as opposed to all residents. There were fifty-three affected tenants.

X. Public Comments:

None

XI. Executive Session:

As there were no items to discuss, the Board did not go into Executive Session.

XII. Next Meeting - Adjournment:

The Board set the next meeting date as December 16, 2021, at 1:30 p.m.
The meeting was adjourned at 2:30 p.m.

Respectfully submitted,

Gregg Sutton
Executive Director